

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2012

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31/03/2012 RM'000	Preceding Year Corresponding Quarter Ended 31/03/2011 RM'000	Current Year To Date Ended 31/03/2012 RM'000	Preceding Year Corresponding Period To Date Ended 31/03/2011 RM'000
Revenue	10,580	14,392	23,374	30,504
Cost of sales	(6,220)	(11,237)	(14,927)	(25,137)
Gross profit	4,360	3,155	8,447	5,367
Other items of income	101	277	359	370
Administrative expenses	(3,214)	(3,207)	(5,874)	(5,891)
Finance costs	(709)	(648)	(1,430)	(1,205)
Profit/(Loss) before tax	539	(423)	1,503	(1,359)
Income tax benefit	58	37	103	85
Profit/(Loss) net of tax, representing total comprehensive income/(loss) for the period	597	(386)	1,606	(1,274)
Attributable to:				
Equity holders of the parent	597	(386)	1,606	(1,274)
Minority interest	-	-	-	-
	597	(386)	1,606	(1,274)
Earnings/(Loss) per share attributable to equity holders of the parent:				
Basic, for profit/(loss) from continuing operations	0.24	(0.15)	0.63	(0.50)
Diluted, for profit/(loss) from continuing operations	0.24	(0.15)	0.63	(0.50)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012

	As At 31/03/2012 RM'000	As At 30/09/2011 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	1,471	1,558
Land held for property development	295,586	311,033
	<u>297,057</u>	<u>312,591</u>
Current Assets		
Property development costs	99,084	79,504
Inventories	28,996	28,075
Trade receivables & other receivables	21,020	14,767
Cash & Cash Equivalents	4,348	3,631
	<u>153,448</u>	<u>125,977</u>
TOTAL ASSETS	450,505	438,568
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	253,317	253,317
Other reserves	22	22
Retained earnings	42,971	41,365
	<u>296,311</u>	<u>294,704</u>
Non-controlling interests	2,500	2,500
Total equity	298,811	297,204
Non-current liabilities		
Borrowings	39,287	38,341
Deferred tax liabilities	59,893	60,004
	<u>99,180</u>	<u>98,345</u>
Current Liabilities		
Borrowings	26,036	26,127
Trade & other payables	26,477	16,890
Tax payable	1	2
	<u>52,514</u>	<u>43,019</u>
Total liabilities	151,695	141,364
TOTAL EQUITY AND LIABILITIES	450,505	438,568
Net assets per share attributable to equity holders of the parent (RM)	1.17	1.16

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No:17777-V)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL PERIOD
ENDED 31 MARCH 2012**

	6 months ended	
	31/03/2012	31/03/2011
	RM'000	RM'000
Operating activities		
Profit/(Loss) before tax	1,503	(1,359)
Adjustments for :		
Depreciation	107	132
Interest expense	1,430	1,205
Interest income	(37)	(168)
(Gain)/ Loss on disposal of property, plant and equipment	<u>(0)</u>	<u>(1)</u>
Operating cash flows before changes in working capital	3,002	(191)
Property development expenditure	(4,271)	13,883
Inventories	(922)	(1,194)
Receivables	(6,360)	4,788
Payables	<u>9,610</u>	<u>4,060</u>
Cash flows generated from operations	1,059	21,347
Interest received	37	168
Interest paid	(1,292)	(8,186)
Income taxes paid	(70)	(59)
Income taxes refunded	<u>147</u>	<u>-</u>
Net cash flows generated from operating activities	<u>(119)</u>	<u>13,269</u>
Investing activities		
Purchase of property, plant and equipment	(20)	(94)
Proceeds from disposal of property, plant and equipment	<u>1</u>	<u>1</u>
Net cash flows used in investing activities	<u>(19)</u>	<u>(93)</u>
Financing activities		
Drawdown of term loans and bank overdraft	3,990	-
Repayment of term loans	<u>(5,091)</u>	<u>(15,192)</u>
Net cash flows used in financing activities	<u>(1,101)</u>	<u>(15,192)</u>
Net decrease in cash and cash equivalents	(1,239)	(2,016)
Cash and cash equivalents		
at 1 October 2011/2010	<u>(6,345)</u>	<u>(4,639)</u>
Cash and cash equivalents		
at 31 March 2012/2011	<u>(7,584)</u>	<u>(6,655)</u>
Cash and cash equivalents at the end of the financial year		
comprise the following:		
Cash and bank balances	4,348	3,208
Bank overdrafts (included within short term borrowings)	<u>(11,933)</u>	<u>(9,863)</u>
	<u>(7,584)</u>	<u>(6,655)</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD
(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2012

←----- Attributable to Equity Holders of the Parent -----→

←----- Non-distributable -----→ Distributable

	Share Capital	Other Reserves	Distributable Retained Profits	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>6 months year ended 31 March 2012</u>						
At 1 October 2011	253,317	22	41,365	294,704	2,500	297,204
Total comprehensive income for the period	-	-	1,606	1,606	-	1,606
At 31 March 2012	<u>253,317</u>	<u>22</u>	<u>42,971</u>	<u>296,311</u>	<u>2,500</u>	<u>298,811</u>
<u>6 months year ended 31 March 2011</u>						
At 1 October 2010	253,317	22	43,397	296,736	2,500	299,236
Total comprehensive loss for the period	-	-	(1,274)	(1,274)	-	(1,274)
At 31 March 2011	<u>253,317</u>	<u>22</u>	<u>42,123</u>	<u>295,462</u>	<u>2,500</u>	<u>297,962</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD
(Company No: 17777-V)

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad .

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 September 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 September 2011.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2011, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs, IC Interpretations and Technical Release.

Description	Effective for annual periods beginning on or after
Amendments to FRS 1: Limited Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 2: Share-based Payment	1 January 2011
Improvements to FRSs issued in 2010	1 January 2011
IC Interpretation 4: Determining whether an Arrangement contains a Lease	1 January 2011
Amendments to IC Interpretation 13: Customer Loyalty Programmes	1 January 2011
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

FRSs, Amendments to FRSs and IC Interpretations and Technical Releases issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but are not yet effective :

Description	Effective for annual periods beginning on or after
FRS 124: Related Party Disclosures	1 January 2012
Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax : Recovery of Underlying Assets	1 January 2012
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10: Consolidated Financial Statements	1 January 2013
FRS 11: Joint Arrangements	1 January 2013
FRS 12: Disclosure of Interests in Other Entities	1 January 2013
FRS 13: Fair Value Measurement	1 January 2013

Standards issued but not yet effective (cont'd)

FRS 119: Employee Benefits	1 January 2013
FRS 127: Separate Financial Statements	1 January 2013
FRS 128: Investment in Associates and Joint Ventures	1 January 2013
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

The adoption of the above new and amended standards and interpretations did not have any effect on the financial performance or position of the Company.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 September 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these interim financial statements for the period ended 31 March 2012 could be different if prepared under the MFRS Framework.

A3. Qualification of Financial Statements

The preceding annual financial statements of the Group was not subject to any qualification.

A4. Explanatory comments about the seasonality or cyclicity of operations.

This industry is not affected by any fluctuations in relation to seasonality and cyclicity of operations.

A5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

There were no unusual or exceptional items for the current financial year to date.

A6. Nature and amount of changes in estimate of amount reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in estimates which give rise to a material effect in the current interim period

A7. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities.

There were no issuance, cancellation, repurchase or resale and repayment of debt and equity securities for the current financial year to date.

A8. Dividend

There was no dividend paid for the financial period under review.

A9. Segmental Reporting

No segmental reporting is presented as the Group's operations primarily relate to property development activities and these are carried out entirely in Malaysia.

A10. Valuation of property, plant & equipment

No valuation was carried out on the Group's property, plant and equipment for the financial period ended 31 March 2012.

A11. Events subsequent to the end of the Interim Period of the Financial Statements

There are no material events subsequent to the end of the interim period reported or that have not been reflected in the financial statements for the said period.

A12. Effect of Changes in the Composition of The Group

There were no changes in the composition of the Group for the current year to date.

A13. Changes in contingent liabilities or contingent assets.

The group has no contingent liabilities at the date of this report.

B. Additional notes as required by Bursa Malaysia Listing Requirements

B1. Review of Performance

The Group has registered revenue of RM23.4 million and profit before tax RM1.5 million for the six months ended 30 September 2012 as compared to revenue of RM30.5 million and loss before tax of RM1.4 million for the previous corresponding financial period. The Group's profit before tax has increased by more than 100% in the current year as compared to the previous corresponding year period and is mainly attributed to improved margin for properties sold in Saujana O-Lot project.

B2. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter.

The Group's profit before tax of RM539,000 for the second quarter as compared to RM964,000 registered in the immediate preceding quarter ended 31 December 2011 was approximately 44% lower. This is due to a lower revenue recorded from slow sales of Saujana O-Lot.

B3. Current Year Prospect

Kota Masai Project (Mukim Plentong, Johor)

The sales of commercial and residential properties are doing well and we expect the encouraging response to continue.

Saujana O-Lot Project (Mukim Damansara, Selangor)

The financial crisis in Europe and the volatile recovery in the US, coupled with the tightening of lending policy in Malaysia, the purchasers' sentiments of high end properties has been affected. The sales have been slow even though interests are still strong evidenced by frequent walk-in and enquiries at the sales office. The sales are expected to pick up when the lending policy is relaxed and the external conditions improved.

B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee.

Not applicable

B5. Profit before tax

The following items have been included in arriving at profit before tax:

	Current Year Quarter 31/03/2012 RM'000	Current year To date 31/03/2012 RM'000
(a) Interest income	(69)	(95)
(b) Other income including investment income	(32)	(264)
(c) Interest expense	709	1,430
(d) Depreciation and amortization	52	107
(e) Provision for and written off of receivables	-	-
(f) Provision for and written off of inventories	-	-
(g) (Gain)/Loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange gain/loss	-	-
(j) (Gain)/Loss on derivatives	-	-
(k) Exceptional items	-	-

B6. Income tax expenseMajor components of income tax expense

The major components of income tax expense for the quarter/year ended 31 March 2012 are:

	Current Year Quarter 31/03/2012 RM'000	Current year To date 31/03/2012 RM'000
Statement of comprehensive income:		
Current year income tax	4	7
Deferred tax:		
Relating to origination and reversal of temporary differences	(62)	(111)
Income tax benefit recognised in profit or loss	<u>(58)</u>	<u>(103)</u>

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the quarter/year ended 31 March 2012 are as follows:

Profit before tax	<u>539</u>	<u>1,503</u>
Taxation at Malaysian statutory tax rate of 25%	135	376
Adjustments:		
Effect of expenses not deductible for tax purposes	11	103
Deferred tax assets not recognised in respect of current quarter/year tax losses and unabsorbed capital allowances	58	116
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(262)	(698)
Income tax benefit recognised in profit or loss	<u>(58)</u>	<u>(103)</u>

B7. Sale of unquoted investment and / or properties

There were no sale of unquoted investment and /or properties for the current quarter and financial year to-date.

B8. Particulars of purchase or disposal of quoted securities.

There were no purchases or disposals of quoted securities by the Group for the current quarter and financial year to-date.

B9. (a) Status of corporate proposal

There are no outstanding corporate proposals announced but not completed as at 31 March 2012.

(b) Status of utilisation of proceeds raised from any corporate proposal.

Not applicable.

B10. Group borrowings and debt securities

Details of the Group's borrowings as at 31 March 2012 are as follows:

	RM'000
Short term borrowings	
Secured	
Revolving credit	14,103
Overdraft	11,933
Hire purchase creditors	-
	<u>26,036</u>
Long term borrowings	
Secured	
Term loans	39,287
	<u>39,287</u>

There were no term loans or bank borrowings denominated in foreign currencies as at the reporting date.

B11. Summary of off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 31 March 2012.

B12. Changes in material litigation

There was no material litigation pending as at 31 March 2012.

B13. Dividend

The Directors do not recommend any dividend for the current quarter.

B14. Earnings/(Loss) per shareBasic

Earnings/(Loss) per share is calculated by dividing the Company's loss after taxation over ordinary shares in issue during the year.

	Current Quarter Ended 31/03/2012	Corresponding Quarter Ended 31/03/2011	Current Year to date Ended 31/03/2012	Corresponding Year to date Ended 31/03/2011
Net Profit /(Loss) attributable to ordinary shareholders (RM'000)	<u>597</u>	<u>(386)</u>	<u>1,606</u>	<u>(1,274)</u>
Number of ordinary shares in issue ('000)	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>
Basic earnings/(loss) per share (sen)	<u>0.24</u>	<u>(0.15)</u>	<u>0.63</u>	<u>(0.50)</u>
Diluted earnings/(loss) per share (sen)	<u>0.24</u>	<u>(0.15)</u>	<u>0.63</u>	<u>(0.50)</u>

B15. Realised/Unrealised Retained Profits/Losses

	As At 31/03/2012 RM'000	As At 30/09/2011 RM'000
Total retained profits of FAHB and its subsidiaries		
- Realised	25,514	22,890
- Unrealised	-	-
Consolidation adjustments	<u>17,458</u>	<u>18,475</u>
Total group retained profits as per consolidated accounts	<u>42,971</u>	<u>41,365</u>

By order of the Board

Chua Siew Chuan
Company Secretary